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OCI No. 0611/65

Copy No. 80

WEEKLY REPORT



THE SITUATION IN SOUTH VIETNAM

17 March 1965

**INTELLIGENCE AND REPORTING SUBCOMMITTEE OF THE INTERAGENCY
VIETNAM COORDINATING COMMITTEE**

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State Department review completed
DIA review(s) completed.

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OCI No. 0611/65

Published by the Directorate of Intelligence
Central Intelligence Agency

THE SITUATION IN SOUTH VIETNAM

(11 March - 17 March 1965)

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The Weekly Report on the Situation in South Vietnam is based on contributions from CIA, DIA and INR edited and published by CIA without final coordination. A fully coordinated Monthly Report will be disseminated the first Friday of each month.

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THE WEEK IN PERSPECTIVE

Uneasiness has persisted in Saigon over a projected formal military meeting on command changes and over rumors of a possible prior move by one or another military faction. No firm evidence of any advanced coup plotting has been noted, however, and most senior officers have begun to discount the likelihood of any immediate new upheaval.

Premier Quat, meanwhile, has continued his efforts to create an impression of action on the part of the national government. He announced last week a series of broad and specific measures on which realistic progress might be expected, and held a series of meetings with a variety of officials as well as with non-governmental figures in an effort to project a favorable image of his government and its policies.

Although the Quat government is still moving to suppress potentially subversive propaganda for peace, it continues to tolerate the peace movement led by Buddhist monk Quang Lien. The Buddhist Institute has indulged in further acrobatics to deny sponsorship of Lien's movement while simultaneously endorsing the goal of peace. An official Buddhist position on the peace issue may have been a topic of discussion at a Buddhist administrative congress this week. There are indications that the conference may also have been the occasion of further surfacing of internal Buddhist rivalries, which in the past have often caused the Buddhist leaders to assert greater political militancy.

The continued intensified nature of the war in the northern and central provinces of South Vietnam reflect the Communist effort to consolidate their gains. The Viet Cong can be expected to make further efforts to erode government influence in outlying areas and attempt

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to reduce government control to isolate towns and populated areas. Recent government military successes, while insufficient to cause the Viet Cong to withdraw, may cause the Communists to intensify small-scale activities rather than to concentrate large forces which are vulnerable to superior ARVN firepower.

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I. SITUATION IN SOUTH VIETNAM

A. POLITICAL SITUATION

1. The political climate in Saigon during the week reflected uneasiness over a possible power move by one or another military faction, possibly in anticipation of a tentatively planned Armed Forces Council meeting on command assignments. Although the air force was put on alert on 12-13 March--reportedly in response to coup rumors--no evidence of serious plotting developed and most ranking officers are now discounting the possibility of any significant early changes.

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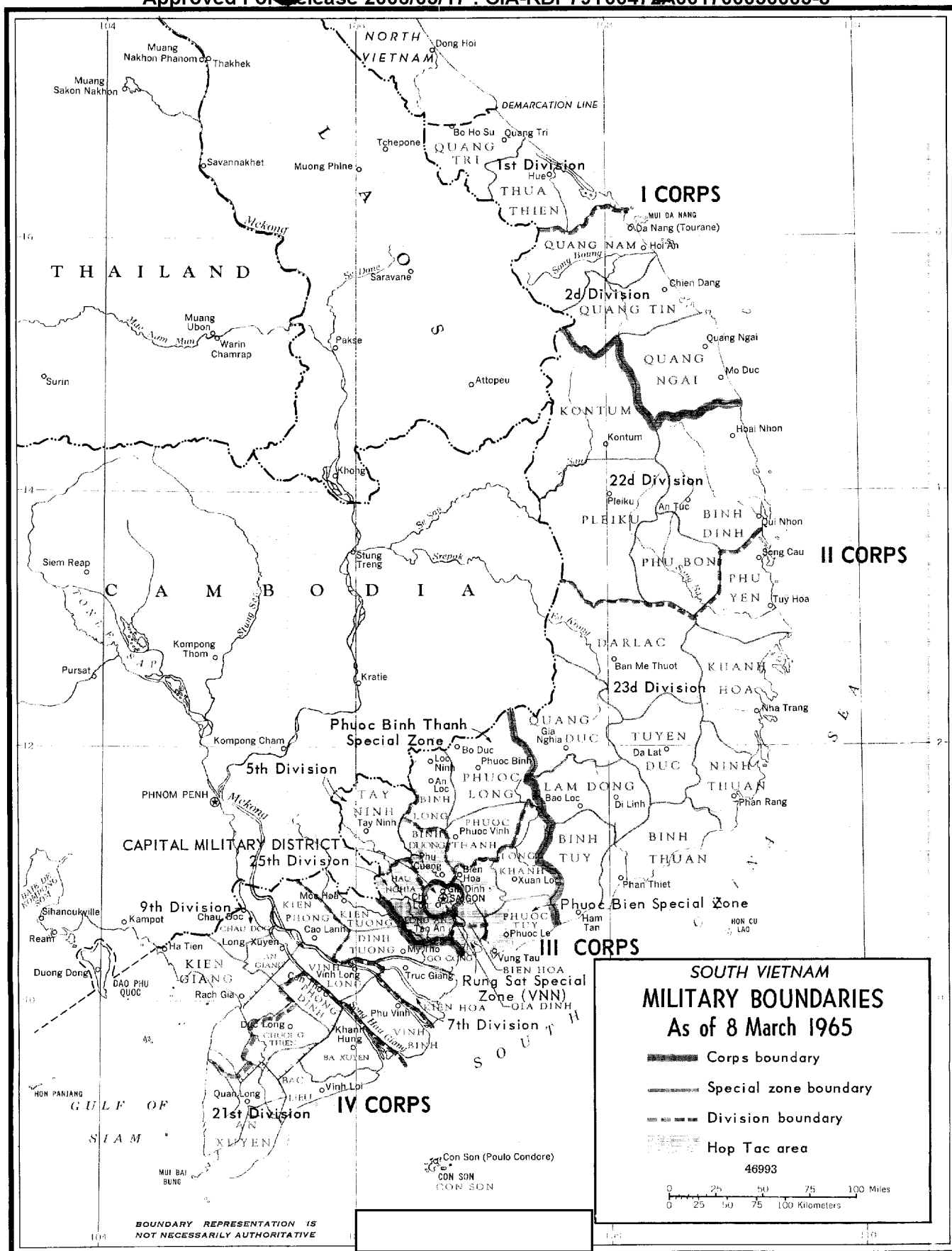
3. Premier Quat, meanwhile, has continued his efforts to convey an impression of activity, holding meetings with his cabinet, with the new National Legislative Council, and with chiefs of mission summoned to Saigon from their posts. On 12 March, he announced a government program of action, involving not only broad goals but specific small projects of which early accomplishment is feasible.

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In the psychological field, Quat has continued to display an air of firmness against peace movements deemed subversive, publicizing and suspending civil servants lending their names to the suspected pro-Communist People's Self-Determination Movement, endorsing--at least for the moment--expulsion of the movement's leaders to North Vietnam, and personally publicizing a

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display of equipment captured from the Viet Cong vessel recently sunk off Phu Yen Province. Although not totally devoid of criticism, the Saigon press and public are reported so far to be reacting relatively favorably to Quat's performance.

4. Buddhist leaders during the week issued a further communique, in the name of Buddhist Institute Chairman Tam Chau, attempting to dissociate the hierarchy from monk Quang Lien's own peace movement. Lien, meanwhile, has indicated that he would sooner resign his position in the hierarchy than abandon his movement, and has taken steps to transmit his proposals to various parties concerned.

[redacted]

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[redacted]

Lien's present proposals are limited to calling upon North Vietnam to withdraw the leadership and main force elements of the Viet Cong in order to permit the withdrawal of US troops; he has dropped earlier references to "foreign intervention" in South Vietnam. Lien and Tam Chau continue to be targets of attack by the Liberation Front Radio, which has so far avoided similar recriminations against the People's Self-Defense Movement against various alleged student peace movements, or against Buddhist monk Tri Quang.

5. The question of an official Buddhist line position regarding the various peace movements may be a subject of discussion or clarification at a Buddhist internal congress which began in Saigon on 14 March and is to last five days. Although billed as an administrative conference, the meeting may prove the occasion of considerable infighting for predominance. A brief item in the Saigon press referred to "heated discussions" over who would chair the conference.

[redacted]

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Although the extent and significance of Buddhist internal rivalries are not clear, and there has been no open reference to attitudes toward the Quat government, divisions in the past have often led to greater militancy by Buddhist leaders vis-a-vis the political scene.

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6. The US Embassy has reported continued favorable official, military, and public reactions to the arrival in Da Nang of the US marine brigade, including a public statement of gratitude by Premier Quat. The mayor of Da Nang has privately stated that, although about 600 families are being resettled from the vicinity of the airbase, the Da Nang populace in general appears heartened. Buddhist monk Tri Quang is said to have commented that the arrival of the marines has boosted morale in central Vietnam, where there was growing fear of an early Communist takeover. Quang's remarks, however, may have been deliberately made for US ears.

7. A terrorist incident in Saigon was averted on 13 March when a 40-pound bomb was discovered planted against the outside wall of an apartment building housing Embassy and USOM personnel and defused about 10 minutes before it would have exploded. The bomb was described as one of the most sophisticated devices so far used by the Viet Cong.

Economic Situation

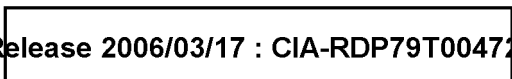
8. German embassy representatives in Saigon have advised that because of the security situation all technicians and laborers have been evacuated from the An Hoa-Nong Son industrial complex in Quang Nam Province, and only caretakers are left in the area. Machinery on hand or enroute will be placed in storage. The project, which is German-and French-supported, is still in the construction stage and was to have been the largest integrated industrial installation in South Vietnam. Completion of the project will now be delayed indefinitely.

9. The Viet Cong attacked an outpost guarding the Sicovina textile mill five miles from Saigon on the night of 9 March. They captured three guards but were driven off before they reached the mill area. Sicovina is 93 percent GVN-owned. This is the third Viet Cong attack recently against industrial facilities.

10. The refugee problem in Central Vietnam is becoming increasingly serious. There are now well over 100,000 refugees crowding the coastal areas of

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Quang Nam, Quang Tin, Quang Ngai, Binh Dinh, and Phu Yen and US officials in the area estimate that this figure may eventually rise to one million. AID-supported activity in the rural areas of these five provinces is at a standstill as joint US-GVN efforts are concentrated on refugee relief programs.

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B. MILITARY SITUATION

1. Strong Viet Cong military pressure continues to be evident in the northern and central provinces of South Vietnam. Despite the slight decline of the number of incidents from the previous week, enemy activity remained relatively intense with a large number of armed attacks reported.

In I Corps, enemy activity was most severe in Quang Nam; further to the south, Binh Dinh Province was the focal point for Viet Cong operations in II Corps. Increased enemy activity last week in the highlands of Kontum Province lends credence to the recently reported buildup of Viet Cong forces in the northwestern portion of the province. Viet Cong activity remained high in the eastern provinces of III Corps; a slight increase was also reported in the 5th and 25th Division areas, immediately to the west and south of Saigon. In the delta, the Viet Cong refrained from major attacks, but continued to apply steady pressure in the form of terrorism, harassments, and road sabotage.

There were 35 armed attacks reported, the largest number for a single week since early December. Most Viet Cong attacks were small-scale and generally successful. A reinforced enemy battalion attempted to overrun Camp Kannack in Binh Dinh Province but was repulsed with heavy losses by a determined defense aided by Viet Cong tactical errors. Viet Cong elements in this attack are suspected to be newly arrived and newly equipped troops. Increased Viet Cong boldness in Quang Nam Province was demonstrated by three attacks last week, and by a number of violent incidents relatively close to the city of Da Nang.

A major Viet Cong effort in Binh Dinh Province was thwarted by the capture of their operation order and by a mobility-minded commander who utilized his forces skillfully. The Communist plan was initiated against numerically inferior government forces. Once the Viet Cong placed their plan into operation, they were completely inflexible in the execution phase. Viet Cong forces consisted of the 2d regiment headquarters, and four battalions

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supported by a heavy weapons battalion. The Viet Cong scheme of maneuver was to have two battalions encircle Hoai An, destroy the outer perimeter outposts after which the combined battalions were to take the town. The remaining two battalions were to take up ambush positions in depth for the expected ARVN relief forces. The Viet Cong planned to fight ARVN forces for three days before withdrawing. One Regional Force commander, however, positioned his troops atop a ridge, forcing the Viet Cong to attack along a narrow front where they sustained heavy casualties. North of the valley, the encircled town of Hoai An was supported by air strikes which broke the back of the main enemy thrust. A new and unexpected factor to the Viet Cong was the introduction of a Vietnamese marine battalion. The arrival of this reinforcement, together with their own heavy casualties, caused the Viet Cong to lose the initiative and to withdraw, leaving behind at least 60 dead. Friendly casualties totaled 32 killed, 27 wounded, and 44 missing.

Viet Cong assassinations and kidnappings among the civil populace for the past month were concentrated in areas where the Communists are attempting to wrest control from the government and to consolidate their gains. The main focus for this violence was the northernmost provinces of Quang Tri and Thua Thien.

Terrorism of this nature is clearly designed to demoralize the civilians and local government forces in order to establish a firm Communist presence and to dominate the area. The magnitude of this violence is manifested in the more than 200 assassinations and 1,100 kidnappings of civilians which have been recorded over the past month. On a percentage basis, the greater amount (approximately 60 percent) of terrorism continues to take place in the area south of Saigon. Since the Viet Cong virtually control the countryside in this region, they are able to pursue a more selective pattern of violence directed toward maintaining political and military control and toward tying down large numbers of friendly forces.

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Sabotage and interdiction of land lines of communications paralleled the intensity of terrorism against civilians in the provinces of Quang Tri and Thua Thien, and was also prevalent southward through the coastal provinces of Quang Nam, Quang Ngai, Binh Dinh, Phu Yen, and Khanh Hoa. These tactics are believed aimed at securing as much of the South Vietnamese coastal area as possible. Viet Cong control of the coasts will permit flexibility in logistical and offensive operations. Moreover, sustained denial of coastal highways and railways to the government will seriously reduce the mobility of government forces and their capability for quick reaction.

2. Government military activity increased sharply in intensity during the past week as ARVN stepped up their engagements with the Viet Cong. Large and small unit operations increased as did the total number of Viet Cong contacts. However, the number of operations making contact with the enemy remains less than one percent of the total.

Several ARVN operations in the north scored successes, the most notable of which was the action at Hoai An in Binh Dinh Province. Two other operations in I Corps produced good results which killed over 100 Viet Cong at the cost of 66 friendly casualties, including 25 killed. In Phu Yen Province, government forces engaged an estimated three local forces companies on 12 March and killed 55 of the enemy, with three friendly troops killed and 13 wounded.

3. The intense nature of the war is reflected in greater casualties and weapon losses. Total government casualties declined slightly but KIA figures increased. Government casualties were 976 (252 KIA) compared to 1015 (232 KIA) last week. This is the fourth straight week that total government casualties were near or above the 900 mark and KIA was recorded above 200. Viet Cong casualties rose to 632 (558 KIA) from 570 (498 KIA), marking the third consecutive week of rising casualties. The government lost 581 weapons compared to 542 last week while they captured 205 weapons from the Viet Cong compared to 133 the previous week.

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C. PACIFICATION

1. The pacification effort has virtually stopped in I and II Corps areas, where emphasis is now being placed on holding operations and on refugee relief. III Corps reported no gains in pacification, while Hop Tac and IV Corps reported only modest gains.

2. In I Corps, Viet Cong pressure continues to mount and to force commanders to concentrate on the security situation and on refugee problems rather than pacification. In the 2nd Division area, there are now reported to be 92,000 refugees, an increase of 19,000 since last week.

3. In II Corps, increased Viet Cong activity against New Rural Life Hamlets in Phu Bon and Phu Yen provinces pointed up the further decline in the security situation there. The Viet Cong burned a total of 332 houses in two hamlets in Phu Bon and another 132 houses in Phu Yen Province. In Kontum and Quang Duc provinces, Viet Cong actions indicate an attempt to isolate district towns from the province capitals.

It is estimated that there are some 72,000 refugees in II Corps. They pose a serious problem for the corps military commander as well as for the civil administrators. Some relief measures have been taken to assist refugees in Binh Dinh, Phu Yen, Phu Bon, and Khanh Hoa provinces.

At a recent joint meeting of the GVN Internal Security Council and the US Mission Council, the deteriorating situation in Binh Dinh Province was discussed. General Thang, J-3 of the RVNAF Joint General Staff, stated that, since the beginning of 1965, the Viet Cong regular force strength in Binh Dinh has risen from 2,600 to 3,600. He estimated the guerrilla force in the province at about 3,000, a figure that is likely to grow as the Communists increase their control over more populated areas of the province.

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The main areas of Viet Cong expansion are in the northern half of Binh Dinh, the lowland areas along Route 1, and along Route 19 which runs from Qui Nhon to Pleiku. The GVN has responded to this threat by committing, in addition to a Ranger battalion, four battalions of the ARVN general reserve, with a fifth scheduled to go there in the near future. These five battalions account for nearly half of the units designated for the ARVN general reserve.

Continued deterioration in Binh Dinh, according to General Thang, is due not so much to a shortage of troops as to the passive attitude of field commanders, poor military discipline, and low troop morale even among those units recently introduced into the area. The breakdown of local governmental administrative machinery and popular loss of confidence in the government is also contributing significantly to the Viet Cong gains.

4. In the III Corps area, outside of Hop Tac, no measurable progress was made in the pacification effort. No hamlets in the Corps area were seized by the Viet Cong during the past week.

5. Some headway in pacification was noted in the IV Corps zone. Seven of the 15 provinces reported a total of 39 more hamlets meeting the six-point criteria for completed hamlets. Notable gains were in Ba Xuyen and Phong Dinh provinces which reported, respectively, 12 and 20 hamlets completed. In Bac Lieu Province, the 21st Division initiated an operation to open Route 4-P, which runs from Bac Lieu city (Vinh Loi) through Ba Xuyen Province to Vi Chanh in Chuong Thien Province. In conjunction with this operation, the Ba Xuyen Province chief is preparing to send cadres into areas being cleared in his province to initiate pacification operations.

In the remaining provinces of IV Corps, four reported no progress while four reported regression of the pacification effort. In Go Cong Province, people are fleeing some government-controlled areas into Go Cong city or to

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Saigon. Although this exodus is believed to be the result of the pulling out of paramilitary units from these areas for additional training, it is possible that this is the harbinger of increased Viet Cong activity in the province.

In Chau Doc Province, the province chief suspects that some armed Khmer (ethnic Cambodians) dissidents, ostensibly unaligned, are now cooperating with the Viet Cong in an effort to extend their political influence in the area.

6. In the Hop Tac zone, there have been modest gains in the pacification effort in spite of increased Viet Cong activity in the area. The eastern flank of the Hop Tac zone has been strengthened by the addition of the ARVN 43rd regiment, with one of its battalions as a control headquarters, as well as the employment of ARVN general reserve battalions in Phuoc Tuy Province.

During the week 18 additional hamlets were completed in Bien Hoa and the Rung Sat Special Zone, raising the total in Hop Tac to 340 meeting the six-point criteria for completed hamlets. Approximately 890,000 people are reported to be living in secured areas of Hop Tac, an increase of 54,000 from a month ago. An additional 438,000 are in areas which are considered to have entered the securing stage of pacification.

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II. THIRD COUNTRY DEVELOPMENTS

A. INDOCHINESE PEOPLE'S CONFERENCE

The "Indochinese People's Conference" adopted a special resolution on Vietnam at its closing meeting on 9 March in Phnom Penh. The resolution denounced the effort of the United States in South Vietnam, including attacks against North Vietnam, demanded the withdrawal of all US armed forces and military materiel, and "approves the principle that the South Vietnamese settle their own affairs."

B. DIPLOMATIC CAMPAIGN

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Prime Minister Quat told Ambassador Johnson on 16 March that the South Vietnamese Government would be opening a government information center in Addis Ababa soon in a campaign to win support, particularly African, for South Vietnam from non-aligned countries.

2. Vinh Tho and Le Van Loi, foreign office officials, represented South Vietnam at a conference in Bangkok on 11 March to prepare for a Korean-sponsored Asian foreign ministers' meeting tentatively scheduled for Seoul in April. The Bangkok meeting decided to keep participation open to other countries and further agreed to the principle of regular consultation between the nine countries represented. Participating nations were Australia, Malaysia, Japan, South Vietnam, New Zealand, the Philippines, South Korea, the Republic of China, and Thailand.

C. THIRD COUNTRY AID

The main body of 1,400 South Korean troops landed at Cap St. Jacques on 15 March without incident, completing the deployment of the Korean task force to South Vietnam. Communist propaganda attacks on the

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deployment have been generally overshadowed by the concurrent deployment of the US marine brigade to Danang.

D. PHILIPPINES

Embassy Manila reports that the South Vietnamese chargé has not yet requested the GOP for the additional 35-man medical team which the GOP has recently agreed to provide, and requests that pressure be brought to bear on the GVN to make an official request.

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III. DEVELOPMENTS IN THE BLOC

1. Bloc propaganda reaction to the March air-strikes against targets in North Vietnam is following themes similar to those established after the initial raids in February. On 16 March Hanoi characterized the two strikes against Tiger Island and Phu Qui ammunition depot as "a realization of the...plan recently mapped out at Camp David." Noting that the 15 March strike penetrated "deeper into our territory than before," the editorial exhorts the people and the armed forces in the north to "always stand ready...in coordination with the liberation forces in the south" to "defend...the airspace, territorial waters, and territory of our country."

2. The March attacks have apparently provoked preliminary DRV preparations for air attack against the capital of Hanoi. [REDACTED]

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[REDACTED] an estimated 80,000 people, mostly children, have been evacuated from the city. On 17 March the Polish press correspondent in Hanoi claimed that a night air raid drill took place in the capital city on 16 March, one day after the US planes struck north of the 19th parallel for the first time. Reports on previous air raid drills in Hanoi indicate that they have been conducted during the day. The night alert could be designed either to impress the people with the seriousness of the exercise, or to avoid interrupting daily economic activity.

3. Recent analysis of photography of [REDACTED] Phuc Yen airfield reveals that 19 dummy aircraft are parked there along with 34 MIG 15/17 fighters. There apparently has been no additional deployment of fighter aircraft into North Vietnam [REDACTED] when a regiment of 36 fighters first occupied Phuc Yen airfield.

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4. Vietnamese Communists in both North and South Vietnam reiterated their opposition to negotiations this week. On 10 March an interview of DRV Defense Minister Vo Nguyen Giap by a Japanese television delegation was publicized in which Giap stated:

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"the only way out" for the US at present lies in the withdrawal of US forces from South Vietnam and the cessation of attacks on the DRV. The Vietnamese people must then be allowed to "settle their own affairs" in accordance with the program of the National Liberation Front. This statement represents the first public comment on the possibility of negotiations by a high DRV official since the US air strikes began in February.

An official of the Front expressed the same sentiments on 10 March. The head of the Front delegation to the recent Indochinese People's Conference at a press conference in Phnom Penh said: "The NFLSV stand concerning the convening of a Geneva-type conference on Vietnam...(requires that)... first of all, the US imperialists must withdraw all their troops, military personnel and weapons... from South Vietnam and let the South Vietnamese people settle their own internal affairs." This statement is the strongest indication since the air strikes began that Vietnamese communists will insist on the withdrawal of US troops as a precondition for negotiations.

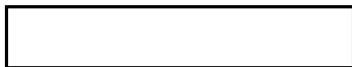
5. In a domestic radio broadcast of 16 March, Hanoi radio claimed that many youths in foreign countries, including the Soviet Union and Communist China, had volunteered for service in Vietnam. Although the statement was probably intended mainly to bolster DRV morale by demonstrating that the North Vietnamese do not stand alone in their battle, it could also be intended to serve as propaganda groundwork should any bloc decision be taken to introduce an actual "volunteer" force into North Vietnam.

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